

**AGENDA
SUBCOMMITTEE No. 1
ON HEALTH AND HUMAN SERVICES**

ASSEMBLYMEMBER HOLLY MITCHELL, CHAIR

**THURSDAY, JANUARY 27, 2011
STATE CAPITOL, ROOM 4202
1:00 P.M.**

EVERY EFFORT WILL BE MADE TO ACCOMMODATE ALL MEMBERS OF THE PUBLIC WHO WISH TO PROVIDE PUBLIC TESTIMONY. HOWEVER, DUE TO THE UNUSUALLY SHORT TIME-FRAME AND THE BREADTH OF HEALTH AND HUMAN SERVICES ISSUES BEING CONSIDERED, THE CHAIR WILL ANNOUNCE AT THE ONSET OF EACH HEARING HOW MUCH TIME, AND WHERE IN THE AGENDA, PUBLIC TESTIMONY WILL BE ALLOWED. WRITTEN TESTIMONY IS STRONGLY ENCOURAGED AS THE SUBCOMMITTEE CANNOT GUARANTEE THERE WILL BE ENOUGH TIME FOR EVERYONE TO SPEAK.

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DISCUSSION ITEMS

5180 DEPARTMENT OF SOCIAL SERVICES (DSS)

IN-HOME SUPPORTIVE SERVICES (IHSS)

The IHSS program was established in 1973. Today, IHSS provide services to approximately 456,000 qualified aged, blind, and disabled individuals allowing them to live safely in their homes, and avoid institutionalization. IHSS is administered locally by 58 county social service agencies with administrative direction and oversight by DSS. Eligible IHSS recipients receive such services as housecleaning, meal preparation, laundry, grocery shopping, personal care services (e.g. assisting with the administration of medications, assisting with basic personal hygiene, eating, grooming, and toileting), accompaniment to medical appointments, and protective supervision.

ISSUE 1: 8.4 PERCENT ACROSS-THE-BOARD REDUCTION

The Governor proposes an 8.4 percent additional reduction to service hours for IHSS recipients, with corresponding administrative, systems change, aid paid pending, and state operations costs, for net General Fund savings of \$127.5 million in 2011-12. This proposal, combined with the 3.6 percent reduction enacted in the 2010-11 Budget, brings the total across-the-board reduction in assessed hours for IHSS recipients to 12 percent.

This reduction is proposed for implementation on July 1, 2011. The Governor states that qualified recipients at risk of out-of-home care placement due to the reduction could apply for supplemental hours. Of the 456,380 projected caseloads in 2011-12, the Administration estimates 435,590 recipients will be impacted with either a partial or full impact from this reduction. Impacted recipients will lose an average of 6.74 hours per month.

PANELISTS

- DSS – Please briefly describe the proposal and respond to the following:
 - What are the anticipated impacts for recipients with a high number of hours and with the most acute needs?
 - How was the percentage reduction determined? Using what programmatic basis or analysis of the recipient population?
 - Please explain the assumptions around the restoration of hours.

- Will consumers only be required to file a supplemental care application once at the time the initial cut is implemented or each year during the reassessment process?
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 2: DOMESTIC AND RELATED SERVICE REDUCTIONS

In IHSS, Domestic and Related (D&R) service hours are provided for daily tasks including meal preparation, meal cleanup, laundry, grocery shopping, and housework for recipients. These hours have been assessed by a social worker, who reviews assistance needed for the recipient to functionally perform these activities of daily living.

Proposal 1. Elimination of D&R Services for Recipients in Sharing Living Arrangements

The Governor proposes to eliminate domestic and related service hours, both pro-rated and non-prorated, for recipients living in a shared living arrangement. The net savings under this proposal are \$235 million in 2011-12. The reduction would take effect July 1, 2011. The calculation of the savings includes interaction with the 3.6% and 8.4% reductions. The Administration estimates that 259,970 recipients with pro-rated hours will be impacted. Assuming the interactions, each impacted pro-rated recipient will lose an average of 14.25 D&R hours per month. An estimated 92,420 recipients with non pro-rated hours will be impacted. Assuming the interactions, each impacted non pro-rated recipient will lose an average of 16.53 D&R hours per month.

Proposal 2. Elimination of D&R Services for All Recipients Under Age 18 Living with Parent

The Governor proposes to eliminate Domestic and Related (D&R) Services for all recipients under 18 years old living with an able and available parent for net savings of \$1.57 million in 2011-12. The reduction would take effect July 1, 2011. The calculation of the savings includes interaction with the 3.6% and 8.4% reductions. An estimated 7,187 recipients would be impacted. Assuming the interactions, each impacted recipient will lose an average of 4.91 D&R hours per month.

The two proposals allow an IHSS applicant/recipient to petition for authorized domestic and related services hours if a medically verified condition inhibits the ability for other members of the household or the parent of the applicant/recipient child to perform these tasks.

PANELISTS

- DSS – Please briefly describe the proposal and respond to the following:
 - What are the anticipated impacts for recipients?
 - Why does the proposal include consumers who live with housemates who are not their provider?
 - Why does the Administration think federal approval might be necessary?
 - What is the basis for the estimate that 50% of consumers will appeal elimination of D&R?
 - Why does the Administration believe these cuts would survive the same kind of legal challenges that enjoined implementation of the 2009 IHSS cuts?
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 3: ELIMINATION OF ALL SERVICES FOR RECIPIENTS WITHOUT A PHYSICIAN'S CERTIFICATE

The Governor proposes to eliminate IHSS services for recipients without a physician's written certification that personal care services are necessary to prevent out-of-home care. The proposal requires a medical review for all IHSS applicants/recipients to ensure services are needed to avert out-of-home placement. The Governor's budget assumes General Fund savings of \$120.5 million in 2011-12.

This reduction would implement July 1, 2011 and assumes an elimination of services for 10 percent of IHSS recipients. It includes interactions with the 3.6% and 8.4% Service Hour Reductions and D&R Reductions. An estimated 41,958 current and new recipients will be impacted. Assuming the interactions, each impacted recipient will lose an average of 65.02 hours per month.

PANELISTS

- DSS – Please briefly describe the proposal and respond to the following:
 - How often would consumers be required to obtain written certification from a physician?
 - Are there any “hardship” circumstances that would allow a consumer to receive IHSS without a physician certificate?
 - Why does the Administration think federal approval might be necessary?
 - What is the basis of the assumption that 43,000 (10%) consumers will not obtain a physician certification?
 - Does the estimate take into consideration the costs in the Medi-Cal program, both status quo Medi-Cal and Medi-Cal as it is proposed to be changed through the Governor's budget proposals?
 - Does the estimate take into consideration the shortage of primary care physicians in many counties?
 - Why does the Administration think doctors should judge the needs for homecare services?
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 4: ELIMINATION OF STATE FUNDING FOR IHSS ADVISORY COMMITTEES

The Governor proposes to eliminate state funding for IHSS advisory committees for General Fund savings of \$1.6 million in 2011-12. The Governor states that counties would continue to have the option to continue advisory committees at their own expense and that those counties that choose to do so would be eligible for matching federal funds. This proposal would impact all 58 counties for a savings of \$28,000 GF per impacted county. The reduction would take effect July 1, 2011.

PANELISTS

- DSS – Please briefly describe the proposal and respond to the following:
 - What are the anticipated impacts for counties? For the quality of the program locally?
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 5: BCP #53 – IHSS ENACTED TRAILER BILL

The Department requests resources to implement recently enacted changes in the omnibus Human Services trailer bill. Resources requested include 23.5 positions across four departmental divisions as well as funding for contract costs. DSS states that the resources will enable it to implement the following changes to the In-Home Supportive Services (IHSS) program: Across-the-Board 3.6% Services Reduction, Provider Exclusions, Provider Fees, and Fingerprinting requirements.

From information provided by the Department:

IHSS Across-the-Board 3.6% Service Reduction. This provision would reduce each IHSS recipient's total authorized hours by 3.6 percent effective February 1, 2011 through June 30, 2012. Service hours would be restored effective July 1, 2012 to the recipient's full authorized level based on the most recent assessment. The Adult Programs Division (APD) requests one (1.0) one-year Limited Term (LT) Staff Services Analyst (SSA)/Associate Governmental Program Analyst (AGPA) position for this purpose. The Legal Division (LD) requests one (1.0) one-year LT Staff Counsel (SC) III (Specialist) position for the Program Litigation Branch that serves APD.

Provider Exclusions. These provisions allow prospective applicants, and applicants whose application has been denied on the basis of a conviction and for whom an appeal is pending, to be excluded from providing supportive services to any recipient of the IHSS program if they had been convicted of (1) a violent or serious felony as specified in subdivision (c) of Section 667.5 of the Penal Code and subdivision (c) of Section 1192.7 of the Penal Code; or (2) a felony offense for which a person is required to register under subdivision (c) of Section 290 of the Penal Code. The provisions allow a recipient to submit an individual waiver to entitle him/her to hire the applicant. The new provisions also allow applicants to request a general exception to the exclusionary crime(s) from the Department. Applicants who have been denied the general exception may request an administrative hearing. The APD requests three (3.0) one-year LT SSA/AGPA positions. The CCLD requests one (1.0) two-year LT AGPA position to determine whether applicants meet IHSS requirements to receive an exception, and one-half (0.5) two-year LT Office Technician (Typing) [OT (T)] to support the exception analyst, obtain IHSS criminal record information from counties, and manually enter data from those sources. The LD requests one (1.0) two-year LT SC III (Specialist) position for the Program Litigation Branch that will provide direct legal services to APD, CCLD's Caregiver Background Check Bureau (CBCB) and LD's Community Care Licensing Enforcement Branch (Legal CCL Enforcement) to implement Welfare and Institutions Code (W&IC) Section 12305.87 signed into law pursuant to AB 1612. In addition, one (1.0) two-year LT Senior Legal Analyst and one (1.0) two-year LT Senior Legal Typist are requested to provide necessary support services to the APD attorney. The LD also requests one (1.0) two-year LT SC III (Specialist) position for Legal CCL Enforcement that will be representing CDSS in administrative evidentiary hearings before an Administrative Law Judge (ALJ) for appeals filed by prospective IHSS providers denied

enrollment based on a prohibited criminal conviction and a denial of an exception issued by CDSS pursuant to an administrative review.

The LD also requests \$37,000 for the Department of General Services' Office of Administrative Hearings (OAH) costs for processing the cases referred to LD for administrative hearing. It is anticipated that 37 of the estimated 61 cases referred to LD per year will go to administrative hearing. The CDSS reimburses OAH for conducting the hearings and pays for hearing-related costs such as court reporters, interpreters, and witness fees.

Provider Fee. This provision authorizes the Department to impose a new provider fee/tax to maximize funding for IHSS retroactive to July 1, 2010. IHSS providers will be required to pay a fee based on applying the state's sales tax to services provided to IHSS recipients. Revenues from the fee will be used to increase federal matching funds the state receives. Providers will receive an additional payment to offset the fee, which would amount to 7.5 percent of the provider's adjusted gross income. Implementation of this proposed tax requires approval from the Centers for Medicare and Medicaid Services (CMS). This provision is expected to result in approximately \$180-\$200 million a year in federal funding to support the program. The APD requests six (6.0) positions to perform fiscal and system modification to implement and administer the provider sales tax mandates. The six (6.0) positions include one (1.0) one-year LT Staff Services Manager I (SSM I), four (4.0) AGPAs (1.0 permanent and 3.0 one-year LT), and one (1.0) permanent Associate Management Auditor (AMA). These positions will be responsible for working with the current vendor, the Financial Consultant Auditor, and stakeholders to design, develop, and implement system modifications to collect, report, pay, and administer the provider sales tax. The Fiscal Systems and Accounting Branch (FSAB) will require one (1.0) permanent, full-time Accounting Administrator (AA) I (Specialist), to conduct the fiscal workload in developing and administering the IHSS provider fee program.

Fingerprinting Requirements. This provision requires CDSS to implement rigorous anti-fraud efforts in the IHSS program. These efforts include: (1) requiring all current and new IHSS providers to attend an orientation and be fingerprinted, (2) requiring all IHSS recipients to be fingerprinted, (3) requiring timesheets be signed under a statement acknowledging that false timesheets are subject to civil penalties, and (4) requiring fingerprints of both the recipient and provider on IHSS timesheets. The APD requests six (6.0) permanent full-time positions that were requested in a Fiscal Year (FY) 2010-11 Budget Change Proposal (BCP) for IHSS Provider and Recipient Fingerprinting and Program Integrity activities. The positions were administratively established; however, the BCP was not approved and the positions expired. These positions are needed to implement and administer the provider and recipient fingerprinting mandates that were included in the FY 2010-11 Budget Act. The requested positions include one (1.0) SSM I and five (5.0) AGPAs.

The funding for resources is requested effective July 1, 2011. The requested one-year LT positions will be effective through June 30, 2012 and the two-year LT positions will be effective through June 30, 2013.

PANELISTS

- DSS – Please briefly describe the requests made in the BCP for new positions and the related General Fund impact of their establishment in 2011-12 and in future years.
- Department of Finance
- Legislative Analyst's Office
- Public Comment

**SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENT
(SSI/SSP)****ISSUE 1: REDUCTION TO SSP MOE FLOOR FOR INDIVIDUALS**

The Governor proposes to reduce monthly SSP grants for individuals to the federally required minimum payment standard. The maximum monthly SSI/SSP cash grant for individuals would be reduced by \$15 per month, from \$845 to \$830, beginning June 1, 2011, bringing their grant down to 71% of the federal poverty level. This proposal would affect approximately 1 million SSI/SSP recipients. According to the Department, 8,500 recipients may lose their eligibility and seek services elsewhere.

SSP grants for couples were previously reduced to the federal minimum in November 2009. This proposal would result in savings of \$14.7 million in 2010-11 and \$177.3 million in 2011-12. These savings are net of increased General Fund costs necessitated in the Department of Developmental Services budget as a result of the SSP grant cut. This proposal assumes enactment of legislation by March 1 to effectuate the June 1 implementation.

PANELISTS

- DSS – Please briefly describe the proposal and respond to the following:
 - What are the anticipated impacts for recipients?
- Department of Finance
- Legislative Analyst's Office
- Public Comment

DISABILITY DETERMINATIONS**ISSUE 1: LOS ANGELES STATE PROGRAMS BRANCH RELOCATION**

The Department is requesting a budget augmentation of \$540,000 (\$270,000 GF) for annualized increased rent costs related to the relocation of the LASP to a site that meets the state's seismic criteria. The Department of General Services (DGS), Real Estate Service Division informed the California Department of Social Services (CDSS) that the LASP Branch must be relocated due to seismic noncompliance. Currently, the LASP Branch occupies approximately 20,866 square feet at a rental rate per square feet of \$1.78.

The lease expired April 30, 2009; however, a soft-term least extension has been negotiated. The relocation project has been started and the relocation is projected early FY 2011-12. The projected rental rate for relocation with the calculated size requirement of approximately 20,500 square feet is \$4.00 per square foot, resulting in \$45,000 of increased lease costs per month beginning FY 2011-12. This would result in an annualized rent increase of \$540,000 (\$270,000 GF). One-time costs in the amount of \$633,750 have been placed in an Architectural Revolving Fund (ARF) for this relocation project.

PANELISTS

- DSS – Please briefly describe the requests made in the BCP and the related General Fund impact in 2011-12 and in future years.
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 2: FEDERAL CONSOLIDATED REQUEST FOR POSITIONS

This Budget Change Proposal (BCP) requests to permanently establish 245.0 positions to process Social Security (SSA Title II) and Supplemental Security Income (SSI Title XVI) disability claims. No General Fund (GF) dollars are requested as this program is 100% federally funded.

In September 2009, the SSA San Francisco Regional Office authorized the state to open a new branch in the San Diego area and hire additional staff during Federal Fiscal Year (FFY) 2010 to process the ongoing workload anticipated in FFY 2010 and beyond. The SSA also provided additional funding to expand the space in the DDSD Roseville Branch. The SSA estimates that the cash benefits paid to California residents who are in the SSA/SSI disability program annually represent over \$900,000,000. Thus, in addition to not representing a GF cost to the state, DDSD's case processing operation generates a cash flow to the state's economy while assisting its most vulnerable population.

In addition to adjudicating initial claims for benefits, DDSD also conducts continuing disability reviews (CDR) to determine whether current beneficiaries continue to meet the federal disability criteria, or should be removed from the SSA/SSI disability rolls. The DDSD processes approximately 35,000 such reviews annually. Of these reviews, 77.8 percent are conducted on recipients who also receive the SSP supplement. Fourteen percent result in cessation of eligibility to recipients, and ten percent of the CDR decisions to cease benefits are upheld upon appeal. With a typical annual SSP payment of \$2,184 per recipient this represents a GF cost avoidance to the state of approximately six million dollars annually ($35,000 \times 0.778 \times 0.10 \times \$2,184 = \$5,947,032$). When staff positions in this program are unfilled, DDSD is not able to process all of its workload. Typically, the workload that is assigned a lower priority is the CDR one. It has a lower priority because it is the least vulnerable population served by the program. These CDR cases are either shelved in DDSD field Branches, or in SSA Field Offices; or not called up for review by SSA Headquarters in Baltimore. The beneficiaries continue to get their cash payments, whether they remain entitled to them or not. Therefore, SSP full potential savings are not achieved when federally authorized staffing levels are not maintained in DDSD.

PANELISTS

- DSS – Please briefly describe the request made in the BCP.
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ADULT PROTECTIVE SERVICES**ISSUE 1: REALIGNMENT PROPOSAL, PHASE I**

The Governor proposes to realign the Adult Protective Services (APS) program, which provides services to persons aged 65 and older who are functionally impaired, unable to meet their own needs, and who are victims of abuse, neglect, or exploitation.

As part of the Governor's Phase One Realignment, \$55 million would be realigned in 2011-12, with this amount sustained through full implementation of realignment in 2014-15. Currently, APS is administered by the 58 local APS agencies with oversight provided by DSS. The Governor states that the transfer of this entire program will give counties full flexibility to determine the appropriate level of service and priority for their community.

PANELISTS

- DSS – Please briefly describe the proposal and respond to the following:
 - What are the anticipated impacts for recipients?
 - What are the expected effects on counties?
- Department of Finance
- Legislative Analyst's Office
- Public Comment

CHILDREN'S PROGRAMS**ISSUE 1: REALIGNMENT PROPOSAL IN CHILD WELFARE**

The Governor proposes to realign funding and primary program responsibility for California's Child Welfare Services (CWS) system, which includes Foster Care, Adoptions, and Child Abuse Prevention programs. As part of the Governor's Phase One Realignment, \$1.6 billion would be realigned in 2011-12, with this amount sustained through full implementation of realignment in 2014-15.

Currently, the federal government's role is to establish overall programmatic requirements and goals, provide funding, and ensure compliance with federal standards. The state supervises and monitors these program activities while counties administer services. The Governor states that this shift of funding and responsibility to counties will provide flexibility to operate the program and better serve vulnerable children.

The Administration has not yet provided additional detail on this proposal.

PANELISTS

- DSS – Please describe the proposal and respond to the following:
 - What are the risks of the proposal? What are the expected benefits for children served in the program?
 - How does the Administration account for the current level of funding and its adequacy under acknowledged social worker staffing standards?
 - What role would the state retain and how would this work vis-à-vis federal agencies and rules?
 - What reaction has been registered by the advocates? What considerations and conditions have they raised?
 - What is the expected role of the department in the course of this realignment and after? What are the implications for CWS automation?
 - How does realignment work in the near-term, beginning of 2011-12?
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 2: CHILD WELFARE SERVICES REDUCTION

California's state-supervised, county-administered Child Welfare Services (CWS) program provides services to abused and neglected children, children in foster care, and their families. The CWS program provides (1) immediate social worker response to allegations of child abuse and neglect; (2) ongoing services to children and their families who have been identified as victims, or potential victims, of abuse and neglect; and, (3) services to children in foster care who have been temporarily or permanently removed from their family because of abuse or neglect.

Governor Schwarzenegger vetoed \$80 million GF from the program in August 2009 veto, a reduction of 10 percent. The amount was restored by the Legislature for the 2010-11 Budget, when Governor Schwarzenegger again vetoed the funds.

Governor Brown has continued this reduction in his proposed 2011-12 budget proposal.

PANELISTS

- DSS – Please respond to the following questions:
 - What have been the demonstrated impacts for children and families as a result of the reduction?
 - How has the allocation of the reduction across programs changed?
 - How many social workers were lost in child welfare as a result of this reduction? How many other positions in child welfare were lost?
 - What are the consequences of the reductions on our state's performance against federal Child and Family Services Review standards?
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 3: REDUCTION OF FUNDING FOR THE TRANSITIONAL HOUSING PLUS PROGRAM

The Governor proposed to eliminate transitional housing services to youth aged 18 and 19. The Administration states that counties will keep the flexibility to serve this population based on demand and counties' resources. The estimated savings of this reduction proposal is \$19 million.

The reduction is approximately 57 percent of the current population and represents a loss of 650 beds or over 1200 youth.

PANELISTS

- DSS – Please briefly describe the proposal and respond to the following:
 - What are the anticipated impacts for the youth served by the program?
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 4: BCP #3 – IMPROVING CHILD SAFETY

The Department requests \$295,000 (\$203,000 GF) and the establishment of 3.0 permanent full-time positions to perform activities associated with state and federal requirements to review child fatalities and near fatalities resulting from child abuse and/or neglect.

The requested positions consist of 3.0 Social Service Consultant IIIs in the Children and Family Services Division. The Administration states that these positions would perform duties associated with state and federal mandated case-specific reviews of the circumstances surrounding fatalities/near fatalities of children known to the state's Child Welfare Services (CWS) system. These staff will conduct electronic file review, prepare high profile incident summaries as needed, participate in county critical incident review team briefings, prepare state and federally mandated reports and analyses pertaining to child fatalities/near fatalities, maintain a website for public access to child fatality related information, and work with the counties to improve their reporting of child fatalities/near fatalities resulting from abuse and/or neglect to ensure the State's compliance with federal and state mandate for reporting and disclosure of such incidents.

PANELISTS

- DSS – Please briefly describe the request made in the BCP.
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 5: BCP #10 – FOSTER CARE AUDITS ACCOUNTABILITY AND GROUP HOME LITIGATION

The Department is requesting \$101,000 (\$64,000 GF) and 1.0 two-year limited term General Auditor (GA) III position in FCARB necessary to address the impact of the recent court order resulting from the Alliance lawsuit that required the CDSS to increase group home rates by 32 percent. The GA III position is necessary because, as a result of the increased rates, a large number of non-profit corporations' combined federal revenues will increase to over \$500,000 and will require submission of a FAR once a year (annually), instead of once every three years (triennially).

DSS states that this proposal is necessary to manage the increased workload in submission of FARs that will be submitted to CDSS as a result of the approximate 32 percent increase in group home rates imposed by a court order in the Alliance lawsuit. DSS estimates that 116 additional FARs will be submitted annually to CDSS, which will require review and issuance of Management Decision Letters within six months of receipt of a FAR, as mandated by the federal Office of Management and Budgets (OMB) Circular A-133. In addition, DSS states that this proposal would bring the State into compliance with existing federal and state statutes and avoid federal audit sanctions by providing oversight responsibility of non-profit corporations to ensure their financial stability. The lack of staff resources to review the additional FARs could jeopardize the approximately \$721 million in Title IV-E funds received by California annually for group home and FFA programs.

PANELISTS

- DSS – Please briefly describe the request made in the BCP.
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 6: BCP #15 – IMPLEMENTING FOSTERING CONNECTIONS PL 110-351

The Department requests the following to effectively implement PL 110-351, the Fostering Connections to Success and Increasing Adoptions Act (FCSA) of 2008, for a cost of \$467,000 (\$233,000 GF).

- The Staff Services Manager I (SSMI) position granted July 1, 2009 be made permanent effective July 1, 2011.
- One limited-term, full-time Associate Governmental Program Analyst (AGPA) to become effective July 1, 2011.
- Continuing the SSMI position and requesting the additional position will assist the state to protect existing Title IV-E funding and to secure additional federal financial participation in foster care and adoption services.

PANELISTS

- DSS – Please briefly describe the request made in the BCP and respond to the following:
 - What workload portion of this request related to the issues around establishment of Tribal-State agreements? Please describe these issues in brief and how the requested positions relate to this work.
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 7: BCP #20 – FIELD MONITORING AND OVERSIGHT OF COUNTY OPERATIONS

The Department requests seven (7.0) permanent positions to perform field monitoring of county programs, for a cost of \$837,000 (\$279,000 GF).

DSS states that this proposal would avoid sanctions from the Administration on Children and Families (ACF) related to monitoring and oversight of county operations. The CDSS has been cited repeatedly by the Bureau of State Audits (BSA), the Office of the Inspector General (OIG) and ACF for not meeting the program performance monitoring and reporting requirements set out in Code of Federal Regulations (CFR), 45 CFR 92.40.

According to DSS, the monitoring of sub-recipients (counties) is currently being accomplished through federal Office of Management and Budgets (OMB) A-133 audits, various internal controls, and desk audits performed at the state level. Until recently the Department has disputed recurrent BSA findings that CDSS is not meeting program performance monitoring and reporting requirements set out in 45 CFR 92.40. The ACF has now directed the Department to take corrective action to comply with these requirements and CDSS is facing potential sanctions pursuant to 45 CFR 92.40. These sanctions apply to several programs, the most critical of which are Temporary Assistance to Needy Families (TANF) and Title IV-E. The Department has been negotiating with ACF on a solution with minimal or no budget impact. However, having exhausted no-cost alternatives, enforcement action, including federal sanctions, are a very real possibility. To avoid these sanctions, CDSS is requesting 7.0 positions, including 1.0 Staff Services Manager I and 6.0 Associate Governmental Program Analysts to perform field monitoring of county programs.

PANELISTS

- DSS – Please briefly describe the request made in the BCP and the GF effect.
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 8: BCP #50 – IMPLEMENTING AB 12

The Department is requesting \$1,559,000 (\$867,000 GF), 7.0 permanent positions, and 4.0 two-year limited-term positions, as well as funding for temporary help. These additional positions and funding will assist the state in implementation of AB 12 which will provide additional access to Federal Financial Participation (FFP) for extending the age of foster care to age 21.

PANELISTS

- DSS – Please briefly describe the requests made in the BCP and the GF effect.
- Department of Finance
- Legislative Analyst's Office
- Public Comment

ISSUE 9: BCP #51 – IMPLEMENTING RECENTLY ENACTED LEGISLATION

The Department is requesting 3.5 positions, most limited-term and .8 on a permanent basis, for a total cost of \$270,000 (\$217,000 GF) for 2011-12 associated the implementation of the following chaptered bills:

AB 2418. In September 2010, Assembly Bill 2418 was chaptered. This legislation revised the definition of “Indian child” for the purposes of Indian child custody proceedings to include an unmarried person who is 18 years of age over but under 21 years of age, and who is either a member of an Indian tribe or eligible for membership in an Indian tribe, as specified. The Child Protection and Family Support Branch (CPFBSB) of the California Department of Social Services (CDSS) requests \$96,000 (\$61,000 GF) and 1.0 limited-term Social Services Consultant III (SSC III) position to become effective July 1, 2011. The SSC III position will assist the state to implement new processes and requirements resulting from the expansion of the definition of “Indian child” for the purposes of Indian child custody proceedings, under AB 2418.

AB 973. In September 2010, Governor Schwarzenegger signed AB 973 (Strickland) Minors: temporary custody. AB 973 created new mandates to the CDSS’ adoption program. In order to be in compliance with the recently enacted statute, the Child and Youth Permanency Branch is requesting \$55,000 (\$37,000 GF) and 0.5 limited-term AGPA.

AB 1048/1983. In September 2010, Governor Schwarzenegger signed AB 1983 (Torrico) Personal income taxes: voluntary contributions: Safely Surrendered Baby Fund. The bill specifically designated activities to the CDSS which represent an additional workload, intended to be supported by the funds generated by the contributions. Additionally, AB 1048 (which amends Health and Safety Code [H&SC] Section 1255.7) was signed and requires new annual reports to the Legislature. In order to be in compliance with these recently enacted statutes, CDSS is requesting \$50,000 (GF) and 0.5 limited-term Accounting Officer.

AB 2084. AB 2084 requires licensed child day care facilities to a) serve only low fat or nonfat milk to children ages two or older; b) limit juice to not more than one serving per day of 100% juice; c) serve no beverages with added sweeteners, either natural or artificial; and d) make clean and safe drinking water readily available and accessible for consumption throughout the day. The provisions of this bill would become operative on January 1, 2012, and the bill specifies that CDSS inspect these facilities for compliance during regularly scheduled inspections. To ensure compliance with this statutory provision, CDSS requests the following augmentation: \$69,000 (GF) and 1.5 Licensing Program Analyst (LPA) positions to check during annual on site inspections that the new standards are met.

PANELISTS

- DSS – Please briefly describe the requests made in the BCP, the effect on GF, and to what extent these resources were foreseen and included in the DOF and Appropriations analyses on the bills prior to them becoming law.
- Department of Finance
- Legislative Analyst's Office
- Public Comment